VZCZCXRO7408 OO RUEHAST RUEHBI RUEHCI RUEHDBU RUEHLH RUEHNEH RUEHPW DE RUEHNE #0243/01 0361127 ZNR UUUUU ZZH O 051127Z FEB 10 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 9408 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 8237 RUEHRL/AMEMBASSY BERLIN 1527 RUEHLO/AMEMBASSY LONDON 7264 RUEHMO/AMEMBASSY MOSCOW 3928 RUEHFR/AMEMBASSY PARIS 2137 RUEHKO/AMEMBASSY TOKYO 6684 RUEHVI/AMEMBASSY VIENNA 0474 RUEKJCS/SECDEF WASHDC RUEHGV/USMISSION GENEVA RUCNDT/USMISSION USUN NEW YORK 8869 RHEHNSC/NSC WASHDC RHHMUNA/HQ USPACOM HONOLULU HI RHMCSUU/HQ USCENTCOM MACDILL AFB FL RUEIDN/DNI WASHINGTON DC RUEAIIA/CIA WASHDC RUEKJCS/JOINT STAFF WASHDC

UNCLAS SECTION 01 OF 04 NEW DELHI 000243

SENSITIVE SIPDIS

DEPARTMENT FOR SCA AND S/SRMC KATE BERGLUND

E.O. 12958: N/A
TAGS: PGOV PREL KISL IN
SUBJECT: SECENSETTER FOR SPECIAL REPRESENTATIVE TO MUSLIM
COMMUNITIES FARAH PANDITH'S VISIT TO INDIA

11. (U) Mission India warmly welcomes you on your first visit to India as Special Representative to Muslim Communities. You will find an Indian government that is more committed than ever to building a durable and wide ranging USG-GOI relationship after Prime Minister Singh's Washington visit in November. The U.S.-India Strategic Dialogue launched by the Secretary in July 2009 has succeeded in focusing both governments on fulfilling President Obama's aspiration to make the ${\tt U.S.-India}$ relationship one of the "defining partnerships of the 21st century." Also key to your objective, the U.S.-India people-to-people ties continue to strengthen across every field of human endeavor. Muslim engagement in India provides a unique opportunity given the size of the country's Muslim population and the powerful influence of Sufism on Indian Islam. There is a tremendous reserve of good will among Muslim leaders for President Obama. We hope to seize the opportunity of your first visit to the region to begin building social, cultural, and economic networks that will benefit current and future generations of Indian Muslims. End Summary.

Strategic Dialogue: Broader and Deeper Than Ever Before

12. (SBU) Secretary Clinton launched the current phase of the rapid expansion in the U.S.-India relationship during her visit in July, when she and Minister of External Affairs S.M. Krishna announced a new Strategic Dialogue, structured around five pillars and 18 sub-dialogues. During Prime Minister Manmohan Singh's historic first official state visit of the Obama Administration in November, our governments announced major outcomes representing each of the five pillars of the Dialogue. Highlights include a Counterterrorism Cooperation Initiative; a Green Partnership to strengthen U.S.-Indian cooperation on clean energy, climate change, and food security; the Indo-U.S. Clean Energy Research and Deployment Initiative; the Obama-Singh 21st Century Knowledge Initiative; a meeting of the CEO Forum; and an MOI for the establishment of a Global Disease Detection Center. We look forward to building on these solid foundations for the first official Strategic Dialogue meeting in Washington this spring and a visit to India by President Obama sometime in 2010.

Internal Politics: a Raucous Democracy

 $\P3$. (SBU) We have a true partner in the current Indian government led by Prime Minister Singh, but its capabilities are not without limits. The strong performance by the Congress Party and its United Progressive Alliance (UPA) allies in India's national elections in 2009 gave the Prime Minister Singh's coalition a mandate to govern and -- freed from dependence on half-hearted allies on the Left -to promote a closer relationship with the United States. the strong endorsement by the electorate and a floundering opposition, the UPA government has gotten off the blocks somewhat slowly. The government grew less confident after its honeymoon period was cut short by the fallout over a joint statement from Singh's July 2009 Sharm-el-Sheikh meeting with Pakistani Prime Minister Gilani. The Sharm debacle rallied Singh's otherwise disjointed political opponents, while reminding the Prime Minister of his constraints despite his mandate. The tentativeness of the government was again on display during the winter session of Parliament, during which an unruly opposition united over populist causes and sidelined civil nuclear liability legislation and long-awaited financial sector liberalization. The government is again on the defensive over demands for the creation of a separate state of Telangana from Andhra Pradesh. On February 3 it bowed to political pressure and announced the formation of a five-person Committee to evaluate the issue.

Economic Ties

14. (SBU) The U.S.-India economic relationship is dynamic and

NEW DELHI 00000243 002 OF 004

expanding, with the United States serving as India's largest trading partner in goods and services and one of its largest foreign investors. While U.S. exports to India have increased five-fold from USD 3.6 billion in 2000 to USD 17.7 billion last year, India is still only the 17th largest trading partner for the United States, showing tremendous potential for further growth. India is taking on increasingly important roles in multilateral economic forums, from the WTO Doha Round negotiations and the G-20, to the World Bank, IMF and the UNFCCC negotiations in Copenhagen.

15. (U) India was somewhat shielded from the global economic downturn due to its conservative central bank and SEC-equivalent restricting many of the derivative innovations linked to the global financial crisis, and its relatively low reliance on exports. However, while India's "Wall Street" was less affected, its "Main Street" bore the brunt of the downturn, with slower growth, tighter access to credit, declining exports, and higher unemployment. That said, the Indian economy continues to be one of the fastest growing economies in the world, even as the global slowdown and financial crunch moderated GDP growth from nine percent in FY 2007-08 to 6.7 percent in FY 2008-09. Lagging agricultural productivity and poor -- but improving -- infrastructure continue to constrain growth. Accordingly, top Indian economic priorities remain physical and human infrastructure development and spreading economic benefits into rural India.

Islam in India: Figures and Foundations

16. (U) According to the 2001 Census, over 138 million Muslims live in India, making it the second or third most populous Muslim country (Note - various estimates have Pakistan and India tied for second place. End Note). Most contacts believe this figure is under representative and predict the actual number is substantially higher, closer to 160 to 180 million Muslims. Despite their impressive numbers, Muslims are a minority in India representing only 13.4 percent of the total population. States with the highest Muslim population include: Jammu and Kashmir (67 percent), Assam (30.9 percent), Kerala (24.7 percent), West Bengal (25.2 percent) and Uttar Pradesh (18.5 percent). Uttar Pradesh (UP) has the most Muslims with a population of 30 million. The status of Muslims across India generally mirrors the overall population, where development has been strongest in southern and western India. Accordingly, Muslims in UP and West Bengal lag behind their

counterparts in Kerala and Hyderabad.

¶7. (SBU) More than demographics, the key to understanding the subcontinent's Muslim population is appreciating the profound impact that Sufism has had on the nature and spread of Islam in India. The Sufi message of love and harmony promoted by Sufi saints and through its various orders, particularly the Chishti order, has profoundly shaped the experience of Islam in the subcontinent. Noted Islamic scholar Imam Mohammad Mian Mazhari noted that the Sufi "unorthodox approach," which accepted the local customs of South Asia, including Hindu influences, facilitated its spread in India. When Sufi Muslims came to India as far back as the 12th Century, they embedded older South Asian traditions within a syncretic Islamic tradition. Muslim contacts emphasize that Sufi Islam is "mainstream" Islam for both Sunnis and Shias in India.

Sunni Muslims: Barelvi vs. Deobandi

¶8. (SBU) Over 85 percent of Indian Muslims are Sunni. Most contacts emphasize that because Muslims are a minority in India, they have traditionally avoided public disputes between Shias and Sunnis, although communal violence has periodically flared up in UP. Commentator Sultan Shahin told Poloff that Indian Muslims "expend their fighting instinct" on political battles against the Indian government or proponents of Hindutva (political Hinduism). However, Shahin and others explained that tension exists between two Sunni

NEW DELHI 00000243 003 OF 004

movements -- Barelvi and Deobandi -- rooted in differences in ideology, wealth, education, and views on reform.

- 19. (SBU) The Barelvi school, which proudly promotes the Sufi ideal of pluralism, has a following of over 75 percent of Sunni Muslims in India. Many Barelvis converted to Islam from Hinduism and Sufi influence allowed them to retain elements of their prior faith and culture. Unfortunately, they tend to lag behind economically and educationally. Imam Mazhari blamed the Barelvis' current lot on the Partition before Indian independence, Barelvis sided with the Muslim League that supported the creation of Pakistan. The Interfaith Harmony Foundation's (IHF) Khwaja Iftikhar Ahmed agreed, adding that the move was in reaction to the Congress Party's alliance with the Deobandis. Barelvi contacts lamented that Partition heartburn has left them "politically orphaned." To this day, Barelvis resent the perceived Deobandi influence over the Congress Party and its allies, and the very public support the Congress Party has thrown behind their rivals, including the appearance of the Home Minister and National Security Advisor at Deoband rallies over the past year. This chip weighs heavily on the Barelvis' shoulders, despite the fact that all 29 Muslim MPs and five Muslim cabinet members are Barelvi.
- 110. (SBU) Deobandis, who make up approximately 20 percent of India's Sunni population, follow a more puritanical version of Islam, shunning many Sufi traditions. Deobandis mainly reside in western UP and are the elite of Indian Sunnis. The Deoband school, based in UP, has become a model of Islamic scholarship and graduates have founded Deoband institutions throughout South Asia and beyond. Compared to their Barelvi compatriots, Deobandis more closely resemble Wahhabis in their austere interpretation of Islam and more conservative stance on social issues, including the role of women. Deobandis have tried to distance themselves from Wahhabism because of the stigma associated with conservative Arab Muslims. Imam Mazhari estimated that less than five percent of Indian Muslims are "true Wahhabis," but he fears the numbers are growing.

Shia Muslims - Searching for a New Identity

111. (U) The Pew Research Center estimates that approximately 16-24 million Shia Muslims live in India, making it the country with the third largest Shia population after Iran and Pakistan (Note - again, estimates put India and Pakistan on par with each other. End Note). Shias compose approximately ten percent of India's total Muslim population. According to commentator Zafar Agha, there are three main divisions of Shias in India: Asna-e-Ashari, the group to which

the majority of Shias belong, residing in north India and Hyderabad; Dawoodi Bohras originally from Gujarat but now living in Maharashtra; and Khojas, former traders who also migrated from Gujarat to Maharashtra.

- 112. (SBU) Historically, Shias enjoyed the status of India's landlords. Unfortunately, this linked their fate to the decline of the landed property system after independence and Shias lost their political and economic clout. Agha admits that compared to Sunnis, Shias failed to adapt to the new democratic India, where numbers (i.e. votes) matter and Shias fall short. They have struggled economically because employment had been viewed as beneath the Shia landholders. Contacts observe that Shia youth, especially women, are changing the mind set in the community and exploring career opportunities in both high tech and traditional fields.
- 113. (SBU) Shias are searching for a new political identity as well. According to Agha, Indian Shias tend to be more liberal and cosmopolitan and feel a kinship with higher caste Hindus. Historically, they have supported the Congress Party. Given the patrilineage of their imams, Shias easily relate to the dynastic politics of the Congress Party, including Congress heir Rahul Gandhi of the Nehru-Gandhi dynasty. In certain elections Shias have thrown their support behind other parties, including the BJP, in

NEW DELHI 00000243 004 OF 004

retaliation for Congress' cozy relationship with Deoband. Both Agha and Imam Mazhari noted that Shia and Barelvi leaders have discussed forming a political alliance to counter Deoband and the increasing influence of Wahhabism. The alliance would balance each group's strength: Barelvis have the numbers and Shias have a higher level of education and more contact with the Indian elite.

We Welcome You

114. (U) Again, we very much welcome you to India. Your visit to New Delhi will allow you to meet with key officials and politicians, young innovators, and Muslim business, cultural, and religious leaders. Your meetings in Mumbai will further explore these contact groups, as well as plug into India's rich culture of social activism and Bollywood. We look forward to laying a strong foundation for future visits to India.

ROEMER